

Public Law 94-188  
94th Congress

An Act

To extend the Appalachian Regional Development Act of 1965, to increase the authorizations for the title V Action Planning Commissions, and for other purposes.

Dec. 31, 1975

[H.R. 4073]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "Regional Development Act of 1975".

Regional  
Development Act  
of 1975.  
42 USC 3181  
note.

Appalachian  
Regional  
Development Act  
Amendments of  
1975.  
40 USC app. 1  
note.

TITLE I

SEC. 101. This title may be cited as the "Appalachian Regional Development Act Amendments of 1975".

SEC. 102. Section 2 of the Appalachian Regional Development Act of 1965 (40 App. U.S.C. 2) is amended by inserting "(a)" after "SEC. 2." and adding the following new subsection:

"(b) The Congress further finds and declares that while substantial progress has been made toward achieving the foregoing purposes, especially with respect to the provision of essential public facilities, much remains to be accomplished, especially with respect to the provision of essential health, education, and other public services. The Congress recognizes that changes and evolving national purposes in the decade since 1965 affect not only the Appalachian region, but also its relationship to a nation now assigning higher priority to conservation and the quality of life, values long cherished within the region. Appalachia now has the opportunity, in accommodating future growth and development, to demonstrate local leadership and coordinated planning so that housing, public services, transportation and other community facilities will be provided in a way congenial to the traditions and beauty of the region and compatible with conservation values and an enhanced quality of life for the people of the region. The Congress recognizes also that fundamental changes are occurring in national energy requirements and production, which not only risk short-term dislocations but will undoubtedly result in major long-term effects in the region. It is essential that the opportunities for expanded energy production be used so as to maximize the social and economic benefits and minimize social and environmental costs to the region and its people. It is, therefore, also the purpose of this Act to provide a framework for coordinating Federal, State and local efforts toward (1) anticipating the effects of alternative energy policies and practices, (2) planning for accompanying growth and change so as to maximize the social and economic benefits and minimize social and environmental costs, and (3) implementing programs and projects carried out in the region by Federal, State, and local governmental agencies so as to better meet the special problems generated in the region by the Nation's energy needs and policies, including problems of transportation, housing, community facilities, and human services."

SEC. 103. Section 101 of the Appalachian Regional Development Act of 1965 (40 App. U.S.C. 101) is amended as follows:

(1) The third sentence of subsection (a) is amended to read as follows: "Each State member shall be the Governor."

Appalachian  
Regional  
Commission.  
Membership and  
voting.

(2) The last sentence of subsection (a) is amended by striking the period and inserting the following: "for a term of not less than one year."

(3) Subsection (b) is amended by adding the following: "No decision involving Commission policy, approval of State, regional or sub-regional development plans or implementing investment programs, any modification or revision of the Appalachian Regional Commission Code, or any allocation of funds among the States may be made without a quorum of State members present. The approval of project and grant proposals shall be a responsibility of the Commission and exercised in accordance with section 303 of this Act."

40 USC app. 303.  
State alternate.

(4) The first sentence of subsection (c) is amended to read as follows: "Each State member may have a single alternate, appointed by the Governor from among the members of the Governor's cabinet or the Governor's personal staff."

(5) Subsection (c) is amended by adding at the end thereof the following: "A State alternate shall not be counted toward the establishment of a quorum of the Commission in any instance in which a quorum of the State members is required to be present. No Commission powers or responsibilities specified in the last two sentences of subsection (b) of this section, nor the vote of any Commission member, may be delegated to any person not a Commission member or who is not entitled to vote in Commission meetings."

Compensation.

SEC. 104. Subsection (d) of section 101 of the Appalachian Regional Development Act of 1965 (40 App. U.S.C. 101) is amended to read as follows:

"(d) The Federal Cochairman shall be compensated by the Federal Government at level III of the Executive Schedule in subchapter II of chapter 53 of title V, United States Code. His alternate shall be compensated by the Federal Government at level V of such Executive Schedule, and when not actively serving as an alternate for the Federal Cochairman, shall perform such functions and duties as are delegated to him by the Federal Cochairman. Each State member and his alternate shall be compensated by the State which they represent at the rate established by law of such State."

5 USC 5314.

5 USC 5316.

SEC. 105. Section 102 of the Appalachian Regional Development Act of 1965 (40 App. U.S.C. 102) is amended by inserting "(a)" after "SEC. 102." and adding the following new subsection:

"(b) In carrying out its functions under this section, the Commission shall identify the characteristics of, and may distinguish between the needs and goals of appropriate subregional areas, including central, northern, and southern Appalachia."

Appropriation  
authorization.

SEC. 106. Section 105(b) of the Appalachian Regional Development Act of 1965 (40 App. U.S.C. 105) is amended by adding at the end thereof the following new sentence: "To carry out this section there is hereby authorized to be appropriated to the Commission, to be available until expended, not to exceed \$4,600,000 for the period beginning July 1, 1975, and ending September 30, 1977 (of such amount not to exceed \$800,000 shall be available for expenses of the Federal cochairman, his alternate and his staff), and not to exceed \$5,000,000 for the two-fiscal-year period ending September 30, 1979 (of such amount not to exceed \$900,000 shall be available for expenses of the Federal cochairman, his alternate and his staff)."

SEC. 107. Paragraph (7) of section 106 of the Appalachian Regional Development Act of 1965 (40 App. U.S.C. 106) is amended by striking out "June 30, 1975" and inserting in lieu thereof, "September 30, 1979".

SEC. 108. Paragraph (2) of section 106 of the Appalachian Regional Development Act of 1965 (40 App. U.S.C. 106) is amended by inserting after the first sentence the following: "The executive director shall be responsible for carrying out the administrative functions of the Commission, for direction of the Commission staff, and for such other duties as the Commission may assign."

SEC. 109. Section 107 of the Appalachian Regional Development Act of 1965 (40 App. U.S.C. 107) is amended by inserting "(a)" after "Sec. 107." and adding the following new subsection:

"(b) Public participation in the development, revision, and implementation of all plans and programs under this Act by the Commission, any State or any local development district shall be provided for, encouraged, and assisted. The Commission shall develop and publish regulations specifying minimum guidelines for such public participation, including public hearings."

SEC. 110. Section 201 of the Appalachian Regional Development Act of 1965 (40 App. U.S.C. 201) is amended as follows:

(1) The third sentence of subsection (a) is amended by striking "two thousand seven hundred miles" and inserting in lieu thereof "two thousand nine hundred miles"; and the fourth sentence of subsection (a) is amended by striking "one thousand six hundred miles" and inserting in lieu thereof "one thousand four hundred miles".

(2) Subsection (g) is amended by striking "and \$180,000,000 for the fiscal year ending June 30, 1978." and inserting in lieu thereof "\$250,000,000 for fiscal year 1978; \$300,000,000 for fiscal year 1979; \$300,000,000 for fiscal year 1980; and \$170,000,000 for fiscal year 1981."

SEC. 111. Section 202 of the Appalachian Regional Development Act of 1965 (40 App. U.S.C. 202) is amended as follows:

(1) The second sentence of subsection (a) is amended by (A) inserting after "not operated for profit" the phrase "or previously operated for profit where the acquisition of such facilities is the most cost-effective means for providing increased health services if the Commission finds that but for the acquisition of such facility such health services would not be otherwise provided in the area served by such facility," and (B) inserting after "made in accordance" the phrase "with section 223 of this Act and shall not be incompatible".

(2) The third sentence of subsection (c) of such section is amended by inserting "and title XX" after "title IV, parts A and B,".

SEC. 112. Section 205 of the Appalachian Regional Development Act of 1965 (40 App. U.S.C. 205) is amended as follows:

(1) The first sentence of subsection (a) (1) is amended by striking "and to control and abate mine drainage pollution." and inserting in lieu thereof "to control and abate mine drainage pollution; and for planning or engineering for any such activities."

(2) The first sentence of subsection (a) (2) is amended by inserting "planning, engineering, or" after "projects for".

(3) The second sentence of subsection (b) of such section is amended by inserting "(including, but not limited to, sand, clay, stone, culm, rock, spoil bank and noncombustible materials)" after "materials".

(4) Subsection (c) is amended to read as follows:

"(c) Whenever a State, local government, or other nonprofit applicant agrees to indemnify the Federal Government, or its officers, agents, or employees, for all claims of loss or damage resulting from the use and occupation of lands for a project assisted under this section, the Secretary may waive all requirements for the submission

Plans and programs, public participation.

Regulations.

Appalachian development highway system.

Appropriation authorization.

Demonstration health projects.

Post, p. 1033.

Mining area restoration.

Waiver.

of releases, consents, waivers, or similar instruments respecting such lands, but the Secretary may require security as he deems appropriate for any such indemnification agreement.”.

(5) Subsection (d) is amended to read as follows:

“(d) No moneys authorized by this Act shall be expended for the purposes of reclaiming, improving, grading, seeding, or reforestation of strip-mined areas, except on lands owned by Federal, State, or local government bodies or by private nonprofit entities organized under State law to be used for public recreation, conservation, community facilities, or public housing.”.

Grants and loans  
for housing  
projects.

SEC. 113. Section 207 of the Appalachian Regional Development Act of 1965 (40 App. U.S.C. 207) is amended as follows:

(1) Subsection (a) is amended to read as follows:

“(a) In order to encourage and facilitate the construction or rehabilitation of housing to meet the needs of low- and moderate-income families and individuals, the Secretary of Housing and Urban Development (hereafter in this section referred to as the ‘Secretary’) is authorized to make grants and loans from the Appalachian Housing Fund established by this section, under such terms and conditions as he may prescribe, to nonprofit, limited dividend, or cooperative organizations, and public bodies, for planning and obtaining federally insured mortgage financing or other financial assistance for housing construction or rehabilitation projects for low- and moderate-income families and individuals, under section 221 of the National Housing Act, section 8 of the United States Housing Act of 1937, section 515 of the Housing Act of 1949, or any other law of similar purpose administered by the Secretary or any other department, agency, or instrumentality of the Federal or State government, in any area of the Appalachian region determined by the Commission.”

12 USC 1715f.  
42 USC 1408.  
42 USC 1485.

(2) Subsection (c) (2) is amended to read as follows:

“(2) The Secretary is authorized to make grants and commitments for grants, and may advance funds under such terms and conditions as he may require, to nonprofit, limited dividend, or cooperative organizations and public bodies for reasonable site development costs and necessary offsite improvements, such as sewer and water line extensions, whenever such a grant, commitment, or advance is essential to the economic feasibility of any housing construction or rehabilitation project for low- and moderate-income families and individuals which otherwise meets the requirements for assistance under this section, except that no such grant for the construction of housing, shall exceed 10 per centum of the cost of such project, and no such grant for the rehabilitation of housing shall exceed 10 per centum of the reasonable value of such rehabilitation housing, as determined by the Secretary.”.

(3) Subsection (e) is amended by inserting before the period at the end, the following: “and may provide funds to the States for making grants and loans to nonprofit, limited dividend, or cooperative organizations and public bodies for the purposes for which the Secretary is authorized to provide funds under this section”.

(4) By adding the following new subsection (f):

“(f) Programs and projects assisted under this section shall be subject to the provisions cited in section 402 of the Act, notwithstanding such section, to the extent provided in the laws authorizing assistance for low- and moderate-income housing.”.

40 USC app. 402.

Vocational  
education  
facilities.  
40 USC app. 211.

SEC. 114. Section 211 of the Appalachian Regional Development Act of 1965 (40 App. U.S.C. 214) is amended as follows:



(1) The first sentence of subsection (b) (1) is amended by striking out everything after "operating" and inserting in lieu thereof, "education projects which will serve to demonstrate areawide education planning, services, and programs, with special emphasis on vocational and technical education, career education, cooperative and recurrent education, guidance and counseling. Projects shall be selected with the involvement of all sectors of the community, including industry and labor."

(2) Subsection (b) (2) is amended by striking out "a vocational and technical" and inserting in lieu thereof, "an".

(3) (a) The first and third sentences of subsection (b) (3) are amended by striking out "vocational and technical".

(b) The fourth sentence of subsection (b) (3) is amended by striking out "a vocational and technical" and inserting in lieu thereof, "an".

(4) Subsection (b) (4) is amended by striking out "a vocational and technical" and inserting in lieu thereof, "an".

(5) Subsection (b) (5) is amended to read as follows:

"(5) No grant for planning, construction, equipment, or operation of an education demonstration project shall be made unless the facility is publicly owned, but this shall not be deemed to preclude training or on-the-job employment activities away from such facility if the project is administered through a public body."

SEC. 115. Section 214 of the Appalachian Regional Development Act of 1965 (40 App. U.S.C. 214) is amended as follows:

(1) The first sentence of subsection (a) of such section is amended by inserting after "projects", where it first appears in such subsection, "or activities (hereinafter referred to as projects)".

(2) The first sentence of subsection (c) of such section is amended to read as follows: "The term 'Federal grant-in-aid programs' as used in this section means those Federal grant-in-aid programs authorized on or before December 31, 1978, by this Act and Acts other than this Act for the acquisition or development of land, the construction or equipment of facilities, or other community or economic development or economic adjustment activities, including but not limited to grant-in-aid programs authorized by the following Acts: Federal Water Pollution Control Act; Watershed Protection and Flood Prevention Act; titles VI and XVI of the Public Health Services Act; Vocational Education Act of 1963; Library Services and Construction Act; Federal Airport Act; Airport and Airway Development Act of 1970; part IV of title III of the Communications Act of 1934; title VI (part A) and VII of the Higher Education Act of 1965; Land and Water Conservation Fund Act of 1965; National Defense Education Act of 1958; Consolidated Farm and Rural Development Act; titles I and IX of the Public Works and Economic Development Act of 1965; the housing repair program for homeowners authorized by section 1319 of title 42, United States Code; grants under the Indian Health Service Act (42 Stat. 208); and title I of the Housing and Community Development Act of 1974."

SEC. 116. Clause (1) of section 223 of the Appalachian Regional Development Act of 1965 (40 App. U.S.C. 223) is amended by striking "compatible" and inserting in lieu thereof "not incompatible". Clause (2) of section 223 of the Appalachian Regional Development Act of 1965 (40 App. U.S.C. 223) is amended to read as follows: "(2) the Commission has approved such program or project and has determined that it meets the applicable criteria under section 224 of this Act and the requirements of the development planning process under sec-

"Federal grant-in-aid programs."

33 USC 1151 note.  
16 USC 1001 note.  
42 USC 291, 300a.  
20 USC 1241 note, 351 note.  
49 USC 1701 note.  
47 USC 390.  
20 USC 1121, 1132a.  
16 USC 460l-4 note.  
20 USC 401 note.  
7 USC 1921 note.  
42 USC 3131, 3241.  
25 USC 13, 52a.  
42 USC 5301 note.  
40 USC app. 224.

*Infra.*

tion 225, and will contribute to the development of the region, which determination shall be controlling and which shall be accepted by the Federal agencies.”.

SEC. 117. Section 224 of the Appalachian Regional Development Act of 1965 (40 App. U.S.C. 224) is amended by adding at the end the following new subsection:

“(c) Funds may be provided for programs and projects in a State under this Act only if the Commission determines that the level of Federal and State financial assistance under Acts other than this Act for the same type of programs or projects in that portion of the State within the region, will not be diminished in order to substitute funds authorized by this Act.”.

SEC. 118. There is inserted after section 224 of the Appalachian Regional Development Act of 1965 (40 App. U.S.C. 224) a new section as follows:

“APPALACHIAN STATE DEVELOPMENT PLANNING PROCESS

40 USC app. 225.

“SEC. 225. (a) Pursuant to policies established by the Commission, each State member shall submit on such schedule as the Commission shall prescribe a development plan for the area of the State within the region. The State development plan shall reflect the goals, objectives, and priorities identified in the regional development plan and in any subregional development plan which may be approved for the subregion of which such State is a part. Such State development plan shall (1) describe the State organization and continuous process for Appalachian development planning, including the procedures established by the State for the participation of local development districts in such process, the means by which such process is related to overall statewide planning and budgeting processes, and the method of coordinating planning and projects in the region under this Act, the Public Works and Economic Development Act of 1965, and other Federal, State, and local programs; (2) set forth the goals, objectives, and priorities of the State for the region, as determined by the Governor, and identify the needs on which such goals, objectives, and priorities are based; and (3) describe the development program for achieving such goals, objectives, and priorities, including funding sources, and recommendations for specific projects to receive assistance under this Act.

42 USC 3121  
note.

40 USC app. 301.

“(b) (1) Local development districts certified by the State under section 301 of this Act provide the linkage between State and substate planning and development. In carrying out the development planning process, including the selection of programs and projects for assistance, States shall consult with local development districts, local units of government, and citizen groups and take into consideration the goals, objectives, priorities, and recommendations of such bodies. The districts shall assist the States in the coordination of areawide programs and projects, and may prepare and adopt areawide plans or action programs.

“(2) The Commission shall encourage the preparation and execution of areawide action programs which specify interrelated projects and schedules of actions together with the necessary agency fundings and other commitments to implement such programs. Such programs shall make appropriate use of existing plans affecting the area.

“(c) To the maximum extent practicable, Federal departments, agencies, and instrumentalities undertaking or providing financial

assistance for programs or projects in the region shall (1) take into account the policies, goals, and objectives established by the Commission and its member States pursuant to this Act; (2) recognize Appalachian State development programs approved by the Commission as satisfying requirements for overall economic development planning under such programs or projects; and (3) accept the boundaries and organization of any local development district certified under this Act which the Governor may designate as the areawide agency required under any such program undertaken or assisted by such Federal departments, agencies, and instrumentalities."

SEC. 119. Section 302 of the Appalachian Regional Development Act of 1965 (40 App. U.S.C. 302) is amended as follows:

(1) Subsection (a) (1) is amended by striking "including technical services," and inserting in lieu thereof "including the development of areawide plans or action programs and technical assistance activities,".

(2) Subsection (a) is amended by striking "and" after paragraph (1), by redesignating paragraph (2) as paragraph (3), and by inserting the following new paragraph:

"(2) to make grants to the Commission for assistance to States for a period not in excess of two years to strengthen the State development planning process for the region and the coordination of State planning under this Act, the Public Works and Economic Development Act of 1965, as amended, and other Federal and State programs; and".

42 USC 3121  
note.

(3) Subsection (b) is amended to read as follows:

"(b) (1) Notwithstanding the provisions of section 224(b) (2), (3), or (4), the Commission may provide assistance under this section for demonstrations of enterprise development, including site acquisition or development where necessary for the feasibility of the project, in connection with the development of the region's energy resources and the development and stimulation of indigenous arts and crafts of the region. No more than \$3,000,000 shall be obligated for such energy resource related demonstrations in any fiscal year, and no more than \$2,500,000 shall be obligated for such indigenous arts and crafts demonstrations.

40 USC app. 224.

"(2) In carrying out the purposes of this Act, including section 2(b), and in implementing this section, the Federal Energy Administration, the Energy Research and Development Administration, the Environmental Protection Agency, and other Federal agencies shall cooperate with the Commission and shall provide such assistance as the Federal Cochairman may request.

*Ante*, p. 1079.

"(3) The Commission shall conduct a study and report on the status of Appalachian migrants in the destinations to which they have migrated, current migration patterns and implications, and the impact which the Commission program has had, and the potential for such impact, on out-migration and the welfare of Appalachian migrants. The Commission is authorized to conduct pilot projects and demonstrations within the region in connection with such study.

Migrants, study  
and report.

"(4) The Commission shall conduct a study of physical hazards which are constraints on land use in the Appalachian region (with emphasis on mudslides, landslides, sink holes, and subsidence) and the risks associated with such hazards. To the extent practicable, such study shall identify high-risk hazard areas throughout the Appalachian region. The Commission shall submit its report on such study,

Physical hazards,  
study.

Report to  
Congress.

together with recommendations for means to remove or avoid such constraints on land use, to the Congress not later than twenty-four months after the enactment of this paragraph.”.

SEC. 120. Section 303 of the Appalachian Regional Development Act of 1965 (40 App. U.S.C. 303) is amended to read as follows:

“APPROVAL OF DEVELOPMENT PLANS, INVESTMENT PROGRAMS, AND PROJECTS

Annual review  
and approval.

40 USC app. 101.

“SEC. 303. State and Regional Development Plans and implementing investment programs, and any multistate subregional plans which may be developed, shall be annually reviewed and approved by the Commission in accordance with section 101 (b) of this Act. An application for a grant or for any other assistance for a specific project under this Act shall be made through the State member of the Commission representing such applicant, and such State member shall evaluate the application for approval. Only applications for grants or other assistance for specific projects shall be approved which are certified by the State member and determined by the Federal Cochairman to implement the Commission-approved State development plan; to be included in the Commission-approved implementing investment program; to have adequate assurance that the project will be properly administered, operated, and maintained; and to otherwise meet the requirements for assistance under this Act. After the approval of the appropriate State development plan and implementing investment program, certification by a State member of an application for a grant or other assistance for a specific project pursuant to this section shall, when joined by an affirmative vote of the Federal Cochairman for such project, be deemed to satisfy the requirements for affirmative votes for decisions under section 101 (b) of this Act.”.

Appropriation  
authorization.

SEC. 121. Section 401 of the Appalachian Regional Development Act of 1965 (40 App. U.S.C. 401) is amended by adding at the end thereof the following new sentence: “In addition to the appropriations authorized in section 105 for administrative expenses, and in section 201 (g) for the Appalachian development highway system and local access roads, there is authorized to be appropriated to the President, to be available until expended, to carry out this Act, \$340,000,000 for the period beginning July 1, 1975, and ending September 30, 1977, and \$300,000,000 for the two-fiscal year period ending September 30 1979.”.

Termination.

SEC. 122. (a) Section 405 of the Appalachian Regional Development Act of 1965 (40 App. U.S.C. 405) is amended by striking “July 1, 1975” and inserting in lieu thereof, “October 1, 1979”.

Report to  
Congress.

40 USC app. 2  
note.  
*Ante*, p. 1079.  
40 USC app. 302.

(b) The Appalachian Regional Commission shall submit to Congress by July 1, 1977, a report on the progress being made on implementing section 2 (b) of the Appalachian Regional Development Act of 1965, the energy related enterprise development demonstration authority in section 302 of such Act, and other amendments made by this title.

Repeal.

42 USC 3134.  
40 USC app. 201  
note.  
40 USC app. 201.

SEC. 123. Section 104 of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3121) is repealed.

SEC. 124. To the extent that any section of this title provides new or increased authority to enter into contracts under section 201 of the Appalachian Regional Development Act of 1965, such new or increased authority shall be effective for any fiscal year only in such amounts as are provided in appropriation acts.



## TITLE II

SEC. 201. This title may be cited as the "Regional Action Planning Commission Improvement Act of 1975".

SEC. 202. Section 509(d) of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3188(a)), as amended, is amended, to read as follows:

"(d) (1) There are authorized to be appropriated to the Secretary to carry out this title, for the two-fiscal-year period ending June 30, 1971, to be available until expended, not to exceed \$225,000,000; and for the two-fiscal-year period ending June 30, 1973, to be available until expended, not to exceed \$305,000,000; for the fiscal year ending June 30, 1974, to be available until expended, \$95,000,000; for the fiscal year ending June 30, 1975, to be available until expended, \$150,000,000; for the fiscal year ending June 30, 1976, to be available until expended, \$200,000,000; for the transition quarter ending September 30, 1976, to be available until expended, \$50,000,000; and for the fiscal year ending September 30, 1977, to be available until expended, \$250,000,000. After deducting such amounts as are authorized to carry out subsections (a) (1) and (b) of section 505, the Secretary shall apportion the remainder of the sums appropriated under this authorization for any fiscal year among the regional commissions which have been established for more than two fiscal years.

"(2) There are authorized to be appropriated to the Secretary as are necessary for the management and authorized activities under this title of any new commissions for their first two full fiscal years, for the fiscal year ending June 30, 1976, to be available until expended, not to exceed \$5,000,000; for the transition quarter ending September 30, 1976, to be available until expended, not to exceed \$1,250,000; and for the fiscal year ending September 30, 1977, to be available until expended, not to exceed \$5,000,000."

SEC. 203. Section 513 of the Public Works and Economic Development Act of 1965, as amended, is amended to read as follows:

## "REGIONAL TRANSPORTATION

"SEC. 513. (a) Each regional commission, with the assistance of the Secretary of Transportation, is authorized to conduct and facilitate full and complete investigations and studies of the transportation needs of economic development regions established under this title. Such studies and investigations should analyze the effectiveness of regional transportation systems for meeting the purposes of this Act. The information gathered from these studies and investigations should determine the types of transportation facilities needed in the region and be of value in planning for such transportation facilities.

"(b) Each regional commission, with the assistance of the Secretary of Transportation, is authorized to make grants for the planning of regional transportation networks and to make grants for the construction, purchase of equipment, and operation (including payment of operating deficits) for transportation demonstration projects. Grants under this section shall be made solely out of funds specifically appropriated for the purpose of carrying out this title and shall not be taken into account in the computation of the allotments among the States made pursuant to any other provisions of law.

Regional Action  
Planning  
Commission  
Improvement Act  
of 1975.

42 USC 3181  
note.

Appropriation  
authorization.  
42 USC 3188a.

42 USC 3185.

42 USC 3192.

Investigation and  
studies.

Grants.

## Cost limitation.

“(c) No grant for the construction or equipment for any component of a demonstration transportation project shall exceed 80 per centum of such cost. The Federal contribution may be provided entirely from funds authorized under this section or in combination with funds authorized under other Federal grant-in-aid programs for the construction of transportation facilities. Notwithstanding any other provision of law, funds authorized under this section may be used to increase the Federal share of any such project to 80 per centum of the cost of such facilities.

## Federal share.

## 42 USC 3188a.

“(d) Not to exceed \$5,000,000 of the funds apportioned to each regional commission under section 509 of this title shall be expended in any one fiscal year for the purpose of carrying out this section.”.

SEC. 204. Title V of the Public Works and Economic Development Act of 1965, as amended, is amended by adding the following new section at the end thereof:

## “ENERGY DEMONSTRATION PROJECTS AND PROGRAMS

## 42 USC 3194.

“SEC. 515. (a) Fundamental changes are occurring in national energy requirements and production which could result in short-term dislocation and result in major long-term effects on various regions of the country. Expanded energy production opportunities must maximize social and economic benefits while minimizing social and environmental costs to the regions experiencing increased energy development. In some regions, impacted by limited energy resources, severe problems disruptive of regional economies could result. The programs of the regional commissions provide an excellent framework for coordinating Federal, State, and local efforts toward (1) anticipating the effects of alternative energy policies and practices, (2) planning for accompanying growth and change so as to maximize social and economic benefits and minimize the social and environmental costs, and (3) implementing programs and projects carried out in the regions by Federal, State, or local government agencies so as to better meet the special problems generated in the regions by the Nation's energy needs and policies, including problems of transportation, housing, community facilities, and human services.

“(b) Each regional commission is authorized to carry out energy-related demonstration projects and programs within its regions including programs and projects addressing the social, economic, and environmental impact of energy development, requirements, and utilization. Grants shall be made only to those projects which are developed through regional planning designed to identify the effects of regional resource development, requirements, utilization, and impact. Each regional commission is authorized to carry out demonstration projects within its region in connection with the development and stimulation of indigenous art and crafts of the region.

“(c) Not to exceed \$5,000,000 of the funds apportioned to each regional commission under section 509 of this title shall be expended in any one fiscal year for the purpose of carrying out the energy-related provisions of this section, and not to exceed \$2,500,000 of such funds shall be expended in any one fiscal year for indigenous arts and crafts demonstrations.”.

SEC. 205. Title V of such Act is further amended by adding the following new section at the end thereof:

## "HEALTH AND NUTRITION DEMONSTRATION PROJECTS"

"SEC. 516. (a) In order to demonstrate the value of adequate health facilities and services to the economic development of the region, the Secretary of Health, Education, and Welfare is authorized to make grants for the planning, construction, equipment, and operation of multicounty demonstration health, and nutrition projects including hospitals, regional health diagnostic and treatment centers, and other facilities and services necessary for the purpose of this section. Grants for such construction (including the acquisition of privately owned facilities not operated for profit or previously operated for profit where the acquisition of such facilities is the most cost effective means for providing increased health services, and initial equipment) shall be made after applications and plans relating to the program or project have been determined by the responsible Federal official to be compatible with the provisions and objectives of Federal laws which he administers that are not inconsistent with this title, and the regional commission has approved such program or project and determined that it will contribute to the development of the region, and shall not be incompatible with the applicable provisions of title VI of the Public Health Service Act (42 U.S.C. 291-291o), the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 (77 Stat. 282), and other laws authorizing grants for the construction of health-related facilities, without regard to any provisions therein relating to appropriation authorization ceilings or to allotments among the States. Grants under this section shall be made solely out of funds specifically appropriated for the purpose of carrying out this title and shall not be taken into account in the computation of the allotments among the States made pursuant to any other provision of law.

Grants.  
42 USC 3195.

42 USC 2661  
note.

"(b) No grant for the construction or equipment of any component of a demonstration health project shall exceed 80 per centum of such costs. The Federal contribution may be provided entirely from funds authorized under this title or in combination with funds provided under other Federal grant-in-aid programs for the construction or equipment of health-related facilities. Notwithstanding any provision of law limiting the Federal share in such other programs, funds authorized under this title may be used to increase Federal grants for component facilities of a demonstration health project to a maximum of 80 per centum of the costs of such facilities.

Federal share.

"(c) Grants under this section for operation (including initial operating funds and operating deficits comprising among other items the cost of attracting, training, and retaining qualified personnel) of a demonstration health project, whether or not constructed with funds authorized by this title, may be made for up to 100 per centum of the costs thereof for the two-year period beginning, for each component facility or service assisted under any such operating grant, on the first day that such facility or service is in operation as a part of the project. For the next three years of operation such grants shall not exceed 75 per centum of such costs. The Federal contributions may be provided entirely from funds appropriated to carry out this title or in combination with funds provided under other Federal grant-in-aid programs for the operation of health related facilities and the provision of health services, including title IV, parts A and B, and title XX of the Social Security Act. Notwithstanding any provision of the Social Security

42 USC 3161,  
3171, 1397.

Act requiring assistance or services on a statewide basis, if a State provides assistance or services under such a program in any area of the region approached by the regional commission, such State shall be considered as meeting such requirement. Notwithstanding any provision of law limiting the Federal share in such other programs, funds appropriated to carry out this section may be used to increase Federal grants for operating components of a demonstration health project to the maximum percentage cost thereof authorized by this subsection. No grant for operation of a demonstration health project shall be made unless the facility is publicly owned, or owned by a public or private nonprofit organization, and is not operated for profit. No grants for operation of a demonstration health project shall be made after five years following the commencement of the initial grant for operation of the project. No such grants shall be made unless the Secretary of Health, Education, and Welfare is satisfied that the operation of the project will be conducted under efficient management practices designed to obviate operating deficits. A health-related facility constructed under title I of this Act may be a component of a demonstration health project eligible for operating grant assistance under this section."

42 USC 3131.

Grants.

SEC. 206. Title V of such Act is further amended by inserting at the end thereof the following new section:

"EDUCATION DEMONSTRATION PROJECTS

42 USC 3196.

"SEC. 517. (a) In order to assist in the expansion and improvement of educational opportunities and services for the people of the region, the Secretary of the Department of Health, Education, and Welfare is authorized to make grants for planning, construction, equipping, and operating vocational and technical educational projects which will serve to demonstrate areawide educational planning, services, and programs. Grants under this section shall be made solely out of funds specifically appropriated for the purposes of this title and shall not be taken into account in any computation of allotments among the States pursuant to any other law.

"(b) No grant for the construction or equipment of any component of a vocational and technical education demonstration project shall exceed 80 per centum of its cost.

"(c) Grants under this section for operation of components of vocational and technical educational demonstration projects, whether or not constructed by funds authorized by this title, may be made for up to 100 per centum of the costs thereof for the two-year period beginning on the first day that such component is in operation as a part of the project. For the next three years of operation, such grants shall not exceed 75 per centum of such costs. No grants for operation of vocational and technical education demonstration projects shall be made after five years following the commencement of the initial grant for operation of the project. An education-related facility constructed under title I of this Act may be a component of a vocational and technical education demonstration project eligible for operating grant assistance under this section.

"(d) No grant for expenses of planning necessary for the development and operation of a vocational and technical education demonstration project shall exceed 75 per centum of such expenses.



“(e) No grant for planning, construction, operation, or equipment of a vocational and technical education demonstration project shall be made unless the facility is publicly owned.

“(f) Any Federal contribution referred to in this section may be provided entirely from funds appropriated to carry out this section, or in combination with funds available under other Federal grant-in-aid programs providing assistance for education-related facilities or services. Notwithstanding any provision of law limiting the Federal share in such programs, funds appropriated to carry out this section may be used to increase such Federal share to the maximum percentage cost thereof authorized by the applicable paragraph of this subsection.”.

Federal share.

SEC. 207. Each regional commission established pursuant to title V of the Public Works and Economic Development Act of 1965 shall submit to the Committees on Public Works of the Senate and House of Representatives within one hundred and twenty days after enactment of this Act the Regional Economic Development Plan required under section 503(a) (2) of the Public Works and Economic Development Act of 1965.

Regional  
Economic  
Development  
Plan, submittal to  
congressional  
committees.  
42 USC 3183  
note.

SEC. 208. (a) The second and third sentences of section 502(b) of the Public Works and Economic Development Act of 1965 are amended to read as follows: “Each State member shall be the Governor. The State members of the commission shall elect a cochairman of the commission from among their number for a term of not less than one year.”

42 USC 3181.  
42 USC 3183.  
42 USC 3182.

(b) Section 502(c) of the Public Works and Economic Development Act of 1965 is amended by adding at the end thereof the following new sentence: “No decision involving commission policy, approval of regional development plan, implementing investment programs, or allocating funds among the States may be made without a quorum of State members present.”.

(c) The first sentence of section 502(d) of the Public Works and Economic Development Act of 1965 is amended to read as follows: “Each State member may have a single alternate, appointed by the Governor from among the members of the Governor’s cabinet or the Governor’s personal staff.”.

(d) Such section 502(d) is further amended by adding at the end thereof the following new sentences: “A State alternate shall not be counted toward the establishment of a quorum of the commission in any instance in which a quorum of the State members is required to be present. No commission power or responsibility specified in the last sentence of subsection (c) of this section, nor the vote of any commission member, may be delegated to any person not a commission member or who is not entitled to vote in commission meetings.”.

SEC. 209. (a) Section 501(a) of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3181), as amended, is amended by inserting “and the Commonwealth of Puerto Rico and the Virgin Islands and the States of California and Texas” after “with the exception of Alaska and Hawaii.”.

(b) Section 502(f) of such Act of 1965 (42 U.S.C. 3182) is amended by inserting after “Hawaii” the following “or the State of California or the State of Texas”, and by striking out “either” and inserting in lieu thereof “any such”.

42 USC 3183  
note.  
42 USC 3181.

(c) It is the intent of Congress that the Secretary of Commerce acting under authority of title V of the Public Works and Economic Development Act of 1965 should invite and encourage the formation of a regional commission for the region along the border with Mexico in the States of Texas, New Mexico, Arizona, and California.

Approved December 31, 1975.

#### LEGISLATIVE HISTORY:

HOUSE REPORTS: No. 94-202 (Comm. on Public Works and Transportation) and No. 94-727 (Comm. of Conference).

SENATE REPORTS: No. 94-278 accompanying S. 1513 (Comm. on Public Works) and No. 94-552 (Comm. of Conference).

CONGRESSIONAL RECORD, Vol. 121 (1975):

May 19, considered and passed House.

July 17, considered and passed Senate, amended, in lieu of S. 1513.

Dec. 16, Senate agreed to conference report.

Dec. 17, House agreed to conference report.